

Message Text

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46

ORIGIN AGR-20

INFO OCT-01 NEA-10 ADP-00 EB-11 TRSE-00 COME-00 L-03

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DRAFTED BY: AGRIC: EMS: CC&B: WGTUSSEY

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FAS-AA: RJKINZHUBER

EB/OFPPD: RSSIMPSON

NEA/EGY: MR. SHANLEY

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R 091552Z JUL 73

FM SECSTATE WASHDC

TO USINT CAIRO

C O N F I D E N T I A L STATE 133457

EO11652: GDS

TAGS: EFIN

SUBJ: CCC CREDITS FOR EGYPT

REF: CAIRO 1952

JOINT STATE/AGRICULTURE

1. LETTER QUOTED BELOW FROM CONTROLLER, COMMODITY CREDIT CORPORATION, USDA, BEING SENT TO MR. A. SHOUKRY EL-NAHAL, MINISTER-ECONOMIC, EGYPTIAN INTERESTS SECTION, WASHINGTON, FULLY EXPLAINS OVERDUE ARE CREDIT PAYMENTS AND CCC POSITION RE: POSSIBLE NEW CREDITS.

QUOTE

DEAR MR. EL-NAHAL: THIS IS IN REPLY TO YOUR LETTER DATED JUNE 22, 1973.

THE DOLS 2,125,972.28 PLUS LATE PAYMENT INTEREST REPRESENTS ACCOUNTS PAST DUE FOR NEW CREDITS UNDER THE AGREEMENT BETWEEN
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COMMODITY CREDIT CORPORATION AND THE GOVERNMENT OF THE ARAB

REPUBLIC OF EGYPT DATED DECEMBER 20, 1971. SEE THE ATTACHED SCHEDULE FOR DETAILS.

THE NEW CREDITS WERE ISSUED UNDER CCC'S CREDIT SALES PROGRAM (GSM-4) AND WERE GUARANTEED BY NATIONAL BANK OF EGYPT LETTERS OF CREDIT WHICH WERE CONFIRMED 10 PERCENT BY U S BANKS. TO DATE THE 90 PERCENT UNCONFIRMED PORTION OF AMOUNTS DUE HAS NOT BEEN HONORED.

ALSO, THE INSTALLMENT OF DOLS 8,475,665.00 DUE COMMODITY CREDIT CORPORATION ON JULY 1, 1973, ON RESCHEDULED CREDITS HAS NOT BEEN PAID.

AS WE STATED IN OUR JUNE 7, 1973, LETTER TO DR. KHALIL, WE AGAIN WISH TO POINT OUT THAT SECTION 7 OF THE CONSOLIDATION AND RESCHEDULING AGREEMENT BETWEEN COMMODITY CREDIT CORPORATON AND THE ARAB REPUBLIC OF EGYPT PROVIDES THAT AS A CONDITION TO SECTIONS 4 AND 5, ALL AMOUNTS DUE AND PAYABLE UNDER THE TERMS OF THE AGREEMENT MUST HAVE BEEN TIMELY PAID. WHEN AMOUNTS BECOME PAST DUE (THE CURRENT INSTANCE WAS 155 DAYS PAST DUE), CCC CANNOT CONSIDER SUCH AMOUNTS AS HAVING BEEN TIMELY PAID. AMOUNTS CURRENTLY PAST DUE ARE DOLS 2,125,972.28 PLUS INTEREST ON NEW CREDITS; DOLS 239,350.46 INTEREST ON PRIOR LATE PAYMENTS OF RESCHEDULED CREDITS; AND DOLS 8,475,665.00 AND LATE PAYMENT INTEREST DUE ON THE JULY 1, 1973, INSTALLMENT OF RESCHEDULED CREDITS. WHEN SUCH AMOUNTS ARE PAID, EVEN THOUGH SUCH PAYMENTS HAVE NOT BEEN TIMELY PAID, COMMODITY CREDIT CORPORATION WILL CONSIDER GIVING NEW CREDITS. SINCERELYN /S/ THEODORE J. BECKER, CONTROLLER. ENCLOSURE FOLLOWS.

DRAFTS NOT HONORED UNDER
NATIONAL BANK OF EGYPT LETTERS OF CREDIT

UNPAID

GSM NO.	DUE DATE	PRINCIPAL	INTEREST //	TOTAL
	DOLS	DOLS	DOLS	
9966	3-20-73	35,258.91	7,536.59	42,795.50
10016	3-22-73	278,390.10	59,505.88	337,895.98
9858	3-30-73	224,266.44	47,936.95	272,203.39
10018	3-18-73	129,895.86	27,765.24	157,661.10
10018	3-19-73	92,807.85	19,837.68	112,645.53
9966	4-07-73	39,590.12	8,462.39	48,052.51
9967	4-11-73	42,776.58	9,143.49	51,920.07
10016	4-21-73	185,630.64	39,678.55	225,309.19
10018	4-21-73	92,849.08	19,846.49	112,695.57

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10006	4-24-73	283,106.27	60,513.96	343,620.23
9961	4-25-73	197,164.80	42,143.98	239,308.78
10199	5-31-73	21,587.44	4,614.31	26,201.75
10195	5-31-73	20,311.64	4,341.61	24,653.25
10188	5-31-73	64,350.00	13,754.81	78,104.81
9897	5-31-73	23,217.73	4,962.79	28,180.52
10122	5-31-73	20,370.01	4,354.09	24,724.10
		1,751,573.47	374,398.81	2,125,972.28

// LATE PAYMENT INTEREST ON THE TOTAL AMOUNT DUE FROM THE
INDICATED DUE DATES THROUGH JUNE 30, 1973, AMOUNTS TO DOLS
33,076.75. UNQUOTE RUSH

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Message Attributes

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Channel Indicators: n/a
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Concepts: n/a
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Copy: SINGLE
Draft Date: 09 JUL 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: AGRIC: EMS: CC
Enclosure: n/a
Executive Order: GS BEVIS
Errors: N/A
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Handling Restrictions: n/a
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30 JUN 2005

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Subject: CCC CREDITS FOR EGYPT
TAGS: EFIN
To: CAIRO
Type: TE
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